

ABSTRACT OF THE DISCLOSURE

A system and method to adaptively control a process of distributing video information over a network.

5 Each client data terminal subscribing to video services has a performance level reporting unit which sends a performance level message Da indicating what resources and computing power the terminal has. Each terminal also has an error status monitor which sends an error status
10 message De. A video coder produces coded data Dc by coding source video signals, based on the received performance level messages Da and error status messages De. The traffic of this coded data Dc is dynamically varied by a dynamic traffic controller, and a distribution unit
15 transmits the resultant video stream Di over the network, using IP multicasting techniques. A video decoder in each client terminal adaptively decodes the received video stream Di.

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